

**Dilution of Foreign Equity by Hindustan Lever**

569. SHRI C. K. CHANDRAPPAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the Government have rejected the claim of the Hindustan Lever the Indian subsidiary of the British Transnational Corporation Unilever, that it should be permitted higher foreign equity holding on the plea that it is using high technology and asked the company to dilute its foreign equity holding to 40 per cent; and

(b) if so, what were the claims made by the Company and what are the grounds on which those were rejected?

THE MINISTER OF INDUSTRY (SHRI GEORGE FERNANDES): (a) Yes, Sir.

(b) In the applications made by the Company in January, 1975 and May, 1976, it was claimed that its annual turn over in respect of activities included in Appendix I to the Industrial Licensing Policy, 1973 and those involving sophisticated technology together with exports during 1974 and 1975 constituted 60% or more of the total turn over. This would entitle the company to retain a non-resident holding of 51%. In evaluating the claims of the company, it was found that activities under Appendix I and those involving sophisticated technology and exports were far below the stipulated 60% of the total turn over. Accordingly, the company was permitted by the Reserve Bank of India to carry on its activities subject to non-resident interest being brought down to a level not exceeding 40% within a period of two years, i.e., by 5th July, 1979.

2. In subsequent representations the company claimed a different basis for computing eligible turn over which, it was argued, would entitle the company to retain foreign equity holding of 51%. These claims were evaluated afresh, but it was found that there was no change in the basic position, viz. that the annual turn over in Appendix I activities and those involving sophisticated technology together with exports do not exceed 60% of the annual turn over. The Reserve Bank of India has, therefore, rejected the representations on this ground and the company has been asked to bring its foreign share holding to a level not exceeding 40% by the 31st of December, 1979.

**Promotion quota of I.A.S. in Sikkim**

570. SHRI CHHATRA BAHADUR CHHETRI: Will the Minister of HOME AFFAIRS be pleased to state; the reasons why pro notation quota of I.A.S. in Sikkim cadre has not been filled?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI S. D. PATIL): The recruitment of the I.A.S. cadre of Sikkim at the initial constitution was completed in 1978 only. In accordance with the provisions of regulation 3 of the I.A.S. (Appointment by Promotion) Regulations, 1955, a Committee to make selection is to be constituted and notified in the Gazette of India. The question of constitution of the Selection Committee for selecting the State Civil Service Officers for appointment to the IAS cadre of Sikkim against the promotion quota is under consideration in consultation with the State Government.

**Extension of stay period for foreign trekkers in Sikkim**

571. SHRI CHHATRA BAHADUR CHHETRI: Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Central Government are considering to extend the present ten-day stay to twenty days for foreign trekkers in Sikkim as requested by the State Government earlier; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI DHANIK LAL MANDAL): (a) and (b). A proposal received in the matter is being processed.

**Supply of Heavy water by U.S.S.R. for RAPP**

572. SHRI KANWAR LAL GUPTA: Will the Minister of ATOMIC ENERGY be pleased to state:

(a) whether it is a fact that U.S.S.R. has agreed to supply extra heavy water for Rajasthan Atomic Power Plant;

(b) if so, the details of offer by the U.S.S.R. and the reaction of Government thereon;

(c) when the supply of heavy water will start; and

(d) what the quantity of heavy water is to be supplied?